

## The Pensioner: Looking Forward

Welcome to the digital MPERS newsletter! *The Pensioner: Looking Forward* contains news, updates, and important information for active employees of the Missouri Department of Transportation, the Missouri State Highway Patrol, and MPERS.

### 2022 Board of Trustees Election



MPERS is governed by a Board of Trustees comprised of 11 members. Four members are elected by active employees and retirees of MoDOT and the Highway Patrol. The four elected members are:

- One active employee of the Highway Patrol
- One retired member of the Highway Patrol
- One active employee of MoDOT
- One retired member of MoDOT

The next election cycle began on Monday, February 28, 2022, with the announcement of the start of the nomination period. The election schedule is as follows:

#### March 31, 2022

Completed Trustee Candidate Declaration Forms and Trustee Candidate Nomination Forms must be received at MPERS by 4:00 p.m.

#### April 5, 2022

MPERS will notify nominees.

#### April 15, 2022

Completed Trustee Candidate Information and Biography Form must be received at MPERS by 4:00 p.m.

#### April 29, 2022

Voting begins - electronic ballots are available online and voting is open to eligible members of each voting group if there are at least two candidates up for election in the voting group.

#### May 26, 2022

Voting ends - electronic ballots must be submitted by 4:00 p.m.

#### June 1-8, 2022

Validation of electronic ballots. The executive director will make a preliminary announcement of election results and notify the successful candidates.

#### June 16, 2022

Board meeting - Executive director will certify to the Board the results of the election and introduce the successful candidates.

#### **Important Reminders!**

If you would like to be a candidate during the election, please review the <u>Board Election Brochure</u> located on our website.

If you wish to make your voice heard by casting a vote, please make sure you have an activenyMPERS Secure Member Access Account.

If you aren't sure about the status of your myMPERS account, please contact MPERS at 800-270-1271 or mpers@mpers.org.

Visit the Board Election Page Here!

## **Recent Legislation and Your Future MPERS Benefit**



On February 24, 2022, Governor Parson signed the Fiscal Year 2022 supplemental budget bill that was passed by the General Assembly earlier in the day. One of the provisions of the bill includes a statewide pay plan for state team members, including a 5.5 percent cost of living adjustment.

How may this affect your future MPERS benefit?

It could change your final average pay used to calculate your benefit. If the increase in pay falls within the 36 highest consecutive months of pay used to calculate your benefit, your benefit would change. Please remember, if you are

planning on taking BackDROP when you retire, any pay increases or comp time payouts that fall within the BackDROP period will not be used to calculate your final average pay.

If you would like to see how the pay increase may affect your benefit, please run a benefit estimate via myMPERS after March 31, 2022.

## Pre-Retirement Webinar Registration is a Two-Step Process



1.Register for the webinar via myMPERS.

This allows our pension system to generate personalized benefit estimates for you.

2.Register via the GoToWebinar link located in your confirmation email.

This provides you with your personal join link for the webinar. If you don't complete this step, you won't be able to access the webinar.



Keeping your personal information safe is a priority at MPERS. The best way to securely submit important documents is by using the Secure Document Upload feature on our website.

Recently, there was an issue after a valid direct deposit change form was submitted to MPERS from a personal email address. This personal email address ended up being hacked, so the submission of this form via e-mail gave the hacker the individual's bank account information and access to a form with the individual's signature.

The hacker resubmitted the direct deposit change form with their own bank information and the member's signature.

When Secure Document Upload is used, the document is uploaded to a secure server and encrypted before it is sent to MPERS. This adds another layer of security and protection for your personal information.

Secure Document Upload has been available for several years, but we want to make it easier for you to access.

- 1. Go to www.mpers.org
- Select the yellow "Secure Document Upload" button in the top right corner
- 3. Select file upload
- 4. Enter the email address of the intended recipient
- 5. Follow the prompts
- 6. Attach the document(s) and send



If you have any questions or need assistance with sending documents via Secure Document Upload, please reach out to MPERS at 800-270-1271.



## **Oversight Formula Wrap-Up**

As we wrap up this particular series of MPERS' Matters, let's do a quick summary of the series.

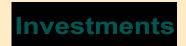
Over the last 12 months we have taken an in-depth look at the oversight formula and what it means to the sustainability of MPERS.

We began by covering the basics of the oversight formula. The System works to make sure that contributions (C) into the pension fund plus investment returns (I) on that money equal the value of the benefits (B) promised to its members plus expenses (E) to run the plan. This basic formula is illustrated as follows:





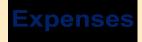
The contributions component of the formula is made by covered employers (MoDOT and the Patrol) as well as active employees in the 2011 Tier. Currently, the employer contribution rate for MoDOT is 58% and the rate for the Patrol is 58.65%. Active employees in the 2011 Tier contribute 4% of their salary to help fund their future retirement benefit.



The next component of the oversight formula is investments. In combination with employer and employee contributions, investment returns fund the System. If investment income increases, employer contributions may decrease. Inversely, if investment income decreases, employer contributions may increase. The System did very well during FY 2021 and yielded a 30.8% investment return. This will help the System for many years to come.

**Benefits** 

The benefits component includes monthly, lifetime retirement benefits paid to survivors and retirees and also includes disability and death benefits. Retirement benefits are calculated using a benefit formula that includes credited service, a multiplier set by law, and final average pay. MPERS administers three retirement plans: the Closed Plan, the Year 2000 plan, and the 2011 Tier. Membership in these plans is determined by the initial hire date in a benefit-eligible position.



The final component of the oversight formula we explored was expenses. Expenses are broken down into three categories: benefit payments, investment fees/costs, and the operating budget. Benefit payments, by far, are the single largest cost to MPERS-just over \$270 million paid in FY 2021.

In summary, the oversight formula must maintain a delicate balance of contributions and investments versus benefits and expenses. The balance allows MPERS to make sure it will be able to pay current benefits and promised future benefits to members when they retire.

If you would like to catch up on the entire series, you can do so by visiting the newsletter archive or by selecting the links below.

- March 2021 Oversight Formula Introduction
- April 2021 Contributions Part 1
- May 2021 Contributions Part 2
- June 2021 Investments Part 1
- July 2021 Investments Part 2
- August 2021 Investments Part 3
- September 2021 Investments Part 4
- October 2021 Investments Part 5
- November 2021 Benefits Part 1
- December 2021 Benefits Part 2
- January 2022 Expenses

### **Check Out This Month's Benefit Bite!**



# Comprehensive Plan Information in a Nice Package

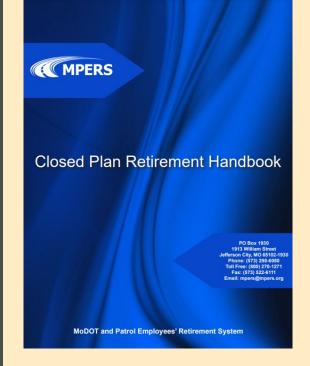
Did you know that there are plan handbooks available? Are you a member of the Closed Plan and would like to know everything there is to know about the Closed Plan? There is a handbook for that!

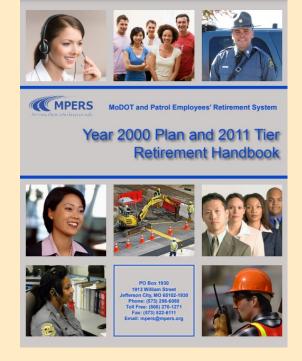
Are you a member of the Year 2000 Plan or the 2011 Tier and are ridiculously curious about the ins and outs of your plan? There is a handbook for that!

Each of the handbooks cover, in detail, topics including, but not limited to the following:

- The value of your benefit
- Summary of your plan benefit provisions
- Membership requirements
- · Acquiring service credit
- Service purchase and transfer provisions
- · Leaves of absence
- Unused sick leave
- · Leaving state employment
- Divorce
- Disability benefits
- Death before/after retirement
- Cost-of-living adjustments
- Benefit payment options
- Benefit payment deductions

If you would like to learn more about your plan, please select the corresponding handbook below.







## **Upcoming Events**

- 10 Mid-Career Checkup for Closed Plan and Year 2000 Plan membersRegister Here
- 23 Pre-Retirement webinar for Closed Plan and Year 2000 Plan members Register Here
- 31 Deadline to submit step 1 Notice of Retirement for May 1 retirement
- 31 Completed Trustee Candidate Declaration Forms and Trustee Candidate Nomination Forms must be received at MPERS by 4:00 p.m.

## **Retirement Deadlines**

Intended Date of Retirement	Step 1 Notice of Retirement Due at MPERS	Step 2 Retirement Election Form Due at MPERS
January 1	September 1 - November 30	December 31
February 1	October 1 - December 31	January 31
March 1	November 1 - January 31	February 28
April 1	December 1 - February 28	March 31
May 1	January 1 - March 31	April 30
June 1	February 1 - April 30	May 31
July 1	March 1 - May 31	June 30
August 1	April 1 - June 30	July 31
September 1	May 1 - July 31	August 31
October 1	June 1 - August 31	September 30
November 1	July 1 - September 30	October 31
December 1	August 1 - October 31	November 30









Send comments and suggestions to <u>Julie.West@mpers.org</u>.